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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

× QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT **OF 1934**

For the quarterly period ended March 31, 2013

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT **OF 1934**

For the transition period from to

Commission File No. 001-7784



CENTURYLINK, INC.

(Exact name of registrant as specified in its charter)

Louisiana

(State or other jurisdiction of incorporation or organization)

72-0651161 (I.R.S. Employer Identification No.)

100 CenturyLink Drive, Monroe, Louisiana

(Address of principal executive offices)

71203 (Zip Code)

(318) 388-9000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes \blacksquare No \square

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐ Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. Large accelerated filer ☒ Accelerated filer ☒ Smaller reporting company ☒ Smaller reporting company ☒ Company) Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☒ No ☒ On May 2, 2013, there were 609,046,043 shares of common stock outstanding.

Doc. 157-6

Filed 09/11/18

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^{*} All references to "Notes" in this quarterly report refer to these Notes to Consolidated Financial Statements.

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PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CENTURYLINK, INC. CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended March 31,			
		2013	2012 ept per share amounts thousands)	
	(Dolla	ers in millions except p and shares in tho		
OPERATING REVENUES	\$	4,513	4,610	
OPERATING EXPENSES	-			
Cost of services and products (exclusive of depreciation and				
amortization)		1,796	1,877	
Selling, general and administrative		818	871	
Depreciation and amortization		1,117	1,208	
Total operating expenses	-	3,731	3,956	
OPERATING INCOME		782	654	
OTHER INCOME (EXPENSE)				
Interest expense		(316)	(343)	
Net gain on early retirement of debt		_	8	
Other income		39	12	
Total other income (expense)		(277)	(323)	
INCOME BEFORE INCOME TAX EXPENSE		505	331	
Income tax expense		207	131	
NET INCOME	\$	298	200	
BASIC AND DILUTED EARNINGS PER COMMON SHARE				
BASIC	\$.48	.32	
DILUTED	\$.48	.32	
DIVIDENDS DECLARED PER COMMON SHARE	\$.54	.725	
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING				
BASIC		619,423	618,208	
DILUTED		621,074	620,350	

See accompanying notes to consolidated financial statements.

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The following table summarizes the results of operations from our consumer segment:

	Consumer Segment						
	Thr	ee Months End	led March 31,	Increase /			
	2013		2012 (Dollars in	(Decrease) millions)	% Change		
Segment revenues:			,	ĺ			
Strategic services	\$	620	588	32	5%		
Legacy services		889	974	(85)	(9)%		
Data integration		2	2	_	_		
Total revenues		1,511	1,564	(53)	(3)%		
				_			
Segment expenses:							
Direct		413	445	(32)	(7)%		
Allocated		113	122	(9)	(7)%		
Total expenses		526	567	(41)	(7)%		
Segment income	\$	985	997	(12)	(1)%		
Segment margin percentage		65.2%	63.7%				

Segment Income

Declines in local and long-distance services associated with access line loss largely contributed to a decrease in our consumer segment income for the three months ended March 31, 2013 as compared to the three months ended March 31, 2012. The decrease in revenues was substantially offset by lower expenses.

Segment Revenues

Consumer revenues decreased for the three months ended March 31, 2013 as compared to the three months ended March 31, 2012. Growth in strategic services revenues did not fully offset a decline in legacy services revenues. The increase in strategic services revenues is due primarily to volume increases in our facilities-based video and increases in the number of broadband subscribers. Legacy services revenues decreased primarily due to declines in local and long-distance services associated with access line losses resulting from competitive pressures.

Segment Expenses

Consumer expenses decreased for the three months ended March 31, 2013 as compared to the three months ended March 31, 2012 primarily due to decreases in salaries, wages and benefits as a result of headcount reductions and decreased allocated expenses. Allocated expenses decreased primarily due to decreases in network expenses, including professional fees, salaries, wages and benefits, as well as, to decreases in fleet expenses.

Business

The operations of our business segment have been impacted by several significant trends, including those described below:

Strategic services. Our mix of total segment revenues continues to migrate from legacy services to strategic services as our
commercial, enterprise, global and government customers increasingly demand customized and integrated data, Internet and voice
services. We offer

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SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on May 10, 2013.

CENTURYLINK, INC.

By: /s/ DAVID D. COLE

David D. Cole
Senior Vice President, Controller and Operations Support
(Chief Accounting Officer)

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